

----- Original Message -----

Subject: RE: Response to your recent update

From: <michael@michaelalexander.me>

Date: Sun, December 02, 2018 9:30 am

To: "Jerry Ulrich" <me@jerryulrich.com>

JJ,

I have thoroughly reviewed your email outlining your updates. As you said a lot of it does not pertain to me as you have other projects and enterprises you are developing and working with Sterling on. He will bill you for that and it is between you and him. I will continue to steer clear going forward as I have in the past of your other projects, etc.

Thank you for making the time to address all these issues although I am only concerned with Smash Technology and Bitclub "BCN".

I feel we need to focus on the number one priority in regard to Smash Technology, as most everything else you addressed with regard to Smash Technology is not relevant until we figure out the financials and secure the means necessary to insure our success. Without adequate funding we cannot expect to finish what has now been started. It is with much regret that I allowed myself to be persuaded to start a project prematurely without Plan A better thought out and planned with adequate reserves for contingencies, etc.

I wanted to believe you and your team could achieve what you set out to accomplish and generate enough sales and leads to max out earnings for Uberfund every month from the time you joined Bitclub. That is the main reason I agreed to share my income with you from Uberfund and provide a pathway based upon your performance to one-day transfer this position to you. That performance is not nearly enough to date for that. Once we came to an Agreement and set upon the Smash Technology project, I most definitely expected more performance to max out the earnings from Uberfund. That never happened, so I had to find a way to supplement the funding for Smash Technology. Certainly, once I added the Centurion position and sponsored one of my top leaders and his team under Centurion to create yet another income stream, I believed you and your team would deliver enough sales to generate adequate earnings. I expected from both positions I pledged; that I could at least cover Ferracode, Sam, and the server until we got to the Alpha stage and could generate funds from Smash Technology subscriptions. I never expected or wanted to dip into personal funds and liquidate coins especially this year as the price has dropped significantly to fund Smash Technology separate from earnings from Uberfund and Centurion. Liquidating coins for cash to fund Smash Technology has been a very expensive contribution based upon the loss to us when coins prices run up soon in 2019.

I was under the impression and understanding we would run a lean and tight ship and the aforementioned items were all that was necessary until we got close to Alpha stage. I did not anticipate or expect there to be other expenses requiring additional funds or especially a serious shortage of Bitclub Network volume/sales to make both these positions max out everyday or certainly most days at least. Volume/sales that generate earnings for Uberfund and Centurion have come way short of what is required to fund this Smash Technology project.

You are correct, I am disappointed and very frustrated. I have never operated in this manner, but I chose to believe and trust in you. I stepped back and did not interfere and let you do what you promised me you could do. I really was not looking to buy myself a job. I wanted you to succeed. Currently, the biggest concern (although not the only one)



is why I have not received all the vendor contracts, invoices and payment documentation for Smash Technology months ago when I first requested it especially when I am the only authorized and able to obligate Smash Technology and should have signed all the Vendor contracts.

I can figure it out easily enough with what I have been requesting and if not, I am married to a competent and qualified accounting wizard whose degrees are in finance and accounting who is now very unhappy with the both of us.... especially after promising her and asking her to trust me when I wired money the first time you asked me too. After the second request for another wire transfer with additional funds, I had to step up my demands for a proper audited and verified accounting for Smash Technology. I don't need and never asked for just an excel spreadsheet or even quick books as we will handle that ourselves. I just need all the records and documentation so we know where we are at and always have reserves or get them in place before things get out of hand or critical to mission success as is the case now.

Enough said, let's sort this out while we still can. The first and only order of business is getting all the vendor contracts, invoices and payment documentation for Smash Technology. I will pay for a verified third party audit once I have and review all the aforementioned items. This is necessary before raising any money from investors. Neither one of us needs the liability, risks and consequences of raising money nor Sterling who will certainly not be a part of it either. We have to be accountable and represent accurately our financials.

I am assuming you have not received your funding? It was my understanding you would have it by November 15th or we would look at other options. That was well over two weeks ago. Also Sterling was to have been sent all the vendor contracts, invoices and payment documentation the end of October after our last meeting. Please explain to me why this is such a problem getting all the vendor contracts, invoices and payment documentation especially when it is and has been holding everything up?

Once we get over this hurdle we can look at both of us putting more money in. If that is not possible for you, I will restate for the record again we will.

I would love to see this not be delayed any longer or Ferracode have to push out the Alpha launch. However if things continue as they have been, I see no other outcome other than a delay.

Certainly from where we are today we cannot continue as we have. I cannot support incurring any more expenses until we have the funding in the bank. Obviously, I am under contract with Ferracode and I will see this through with Ferracode as best as I am able given the circumstances. However, I cannot operate blind, in the dark and without funding to see this project through to the end. While on this subject of incurring additional expenses, I do not support anyone other than you, Sam and myself on this project until the financials are in order and we can review and agree to a sensible and viable sustainable budget to get us funded and to the Alpha launch.

You mentioned you have notified all the Smash team members of the permanent separation from any other projects during business hours of Smash Technology. We did not discuss or mutually agree to this. I believe this is a mistake as both you and they need to keep focus and make money from what you all started. Complete what you started; as it will slip away if you don't. It is already struggling and you said you are finally close and sales volume is how we all get paid. Also making money with Smash Technology is not going to happen anytime soon.

The only people we agreed are working on Smash Technology during business hours is Ferracode, Sam, you and I. If the others want to set in on our meetings, I don't have a problem with that and would welcome it. I am not putting anyone one else on the payroll at this time. We cannot stay current as it is with current obligations. We certainly don't need more of a burden than we already have.

We need to right the ship and that is up to you and me. Once we stop taking on water we can better see our path. My business methodology is simple and it works. We have to prioritize and first things first. To recap, we need first, all the vendor contracts, invoices and payment documentation. Second we need audited and verified financials. Third we need funding from some source whether it is Tatiana, or you. We have no time left for anything else like we did back in October. Fourth we need a budget and business plan. We need all this yesterday. The next item is an Operating Agreement; which still requires discussion and naturally the resolution of the aforementioned items.

Everything else is not relevant. We get to the other matters when appropriate. I am not saying they are not important items, but they simply are not at this juncture.

My success comes from many things I have learned and experienced over many years. One of which is focus and getting the job done with no excuses. First things first, nothing else matters. You never put the cart in front of the horse.

I understand you are spinning a lot of plates and have your other enterprises to manage and facilitate. I have never complained about that and usually you keep things moving forward. I am glad you stated you recognize you have your weaknesses and need my help. I am glad to step up. We are going to need many qualified, experienced and competent people in many different areas.

In reviewing your update, my impression is you are not adequately managing what any successful project requires and not prioritizing the right priorities with Smash Technology and also what my priorities are. You are spending time and resources on what appears to not be priorities at this stage from your update. What I see from your update is you are allowing many things to monopolize yours and others time when we need to be focused and prioritize what I have been saying and I have restated in this communication. We can discuss your update and all these things when we speak. The financials are critical to the success of any venture.

Trust me when I say I believe you when you say you are doing the best you can. Had I been given what I have been asking for, I would have realized before now you are way in over your head. I know you bite off more than you can chew sometimes. I believe your intentions are to deliver what you represent and promise, but it is not acceptable to keep coming up short. I will soon be stateside and can take over the items that need better management, accountability and the expertise and experience I have and as you stated, I know you recognize and appreciate in me. I need a team around me and together we will win.

I want and need you to feel safe and comfortable bringing any issue to me no matter the topic. Thank you for acknowledging my advice, experience and guidance as some of the reasons you wanted me as a partner.

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